

CHRISTINE O. GREGOIRE
Governor



STATE OF WASHINGTON
OFFICE OF THE GOVERNOR

P.O. Box 40002 • Olympia, Washington 98504-0002 • (360) 902-4111

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Media Contact: Governor's Communications Office
Phone: 360-902-4136

Gov. Gregoire announces strategy to spur small business growth

Gregoire's plan also includes job-training for Washingtonians hit hardest by the recession

OLYMPIA – Gov. Chris Gregoire today outlined a series of proposals to accelerate Washington state's economic recovery. Gregoire's plan includes new reforms to free up cash for our state's small businesses to help them grow and hire, as well as strategies to help those hardest hit by the recession receive the training necessary to land a job and pump more money into our local economies.

"While we always take note of big business hiring, it's small businesses that employ the vast majority of our workers," Gregoire said. "In fact, 95 percent of Washington employers have fewer than 50 workers. If we can make it easier and cheaper for them to do business, they can afford to add more employees. This is the key to our economic recovery and to our social fabric."

Gregoire today announced that work is underway to make it easier for all businesses, especially small businesses, to calculate and pay business and occupation taxes. Under Gregoire's plan, the state of Washington would be the single collector of all local and state B&O taxes, just as it is now for the sales tax. Her plan would also create one single state website to apply for or renew state and local business licenses, which would eliminate the need for similar websites now operated by more than 50 individual cities.

"If we ever need a reform that helps business, this is it," Gregoire said. "For Washington businesses, especially small businesses owners who operate with little help, paying state and local B&O taxes is at best complicated and at worse a nightmare. At the very least, this reform will be a paperwork killer. It will save businesses money and aggravation, reduce state and local government red tape and make Washington a friendlier place to set up a business."

Gregoire also announced today that she will be issuing an Executive Order to set up a pilot study with the restaurant industry to get a better idea of the administrative burden of state and local regulations. Additionally, the EO:

- Directs the state's regulatory agencies, like the departments of Ecology and Labor and Industries, to designate an existing staff person as a contact for small business owners to help solve issues small businesses may have with the agency;
- Directs the Office of Regulatory Assistance to spearhead an effort to connect with small business owners and learn what assistance would be beneficial; and
- Directs the state's chief information officer to develop technology that would enable every business owner to have an on-line account with the state to pay taxes and insurance premiums.

To ensure those hardest hit by the recession – including veterans, minorities and young adults – have the skills necessary to land new jobs and circulate more money through the economy, Gregoire also announced she will focus \$1.1 million in existing federal funds toward targeted job training programs. With these resources, Gregoire proposes to:

- Train 460 veterans through the Center for Advanced Manufacturing Puget Sound to prepare them for a career in advanced manufacturing. Each month, 1,000 skilled veterans are discharged in Washington. This program will help transfer military skills to skilled manufacturing jobs;
- Expand the Year Up program – a nationally proven one-year program which provides professional training and corporate internship opportunities for low-income young adults, often minorities. Provide training through the Department of Employment Security's existing On-the-Job Training program for 60 veterans and young adults. This program provides companies a subsidy to assist in the training of these employees; and
- Provide support for on-the-job training in construction and transportation-related industries through the Department of Transportation for 300 women and minorities.

For more information on the governor's tax reform proposal, visit:

http://www.governor.wa.gov/priorities/economy/tax_reform.pdf

For more information on the governor's job training proposal, visit:

<http://www.governor.wa.gov/priorities/economy/jobs2012.pdf>

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